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July 28, 1999

Mary Cottrell, Secretary

Department of Telecommunications and Energy

One South Station, 2nd Floor

Boston, MA 02110

**RE: Generic Proceeding Into Pricing And Procurement
Of Default Service; DTE 99-60**

Dear Secretary Cottrell:

Enclosed on behalf of Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company (together the "Companies"), enclosed please find an original and fifteen (15) copies of the Companies' Joint Reply Comments in this proceeding. Also enclosed is a diskette containing these same comments.

The Companies also wish to inform the Department of their intended plan for procuring a supply for standard offer and default service for delivery beginning January 1, 2000. The Companies' current supply arrangements expire on December 31, 1999, and the Companies need to take immediate steps to initiate the procurement process for continued standard offer and default service supply. Due to the time necessary for the Companies to solicit and finalize supply arrangements for January 1, 2000, the Companies find that they will not be able to wait for a final decision in D.T.E. 99-60 before beginning the solicitation process.

In order to allow as much opportunity as possible to implement the Department's policy when issued, the Companies have determined that they will seek a six-month supply arrangement (January 1, 2000 through June 30, 2000). In that way, the Companies would be prepared to implement any new Department policy regarding the procurement and pricing of default service supply with the supply arrangement that would begin delivery July 1, 2000. Thus, the Companies' current plan is to conduct a

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standard competitive solicitation for standard offer and default service supply, with a request for proposals ("RFP") expected to be issued in August 1999. The Companies have determined that this timing is necessary to allow for the evaluation of bids, supplier selection, and contract negotiation for supply deliveries beginning January 1, 2000. Please note that the Companies' plan stated here involves only supply arrangements for standard offer and default service, and does not involve any change in the retail price charged to customers taking default service at this time.

The Companies believe that their plan provides them with the ability to procure continued default service supply in a cost-effective manner, while allowing for implementation of any new Department policy in a timely manner. In the event that the Department issues a policy that is not consistent with the Companies' current plan, the Companies request that the Department consider granting an extension or waiver until the Companies make plans for default supply deliveries for July 1, 2000.

If you have any questions, please contact me at the telephone number above, or John Cope-Flanagan of COM/Energy at 617-225-4778. Thank you for your attention to this matter.

Very truly yours,

Enclosures

cc: Paul G. Afonso, General Counsel

Lucy Johnston, Assistant Director, Electric Power Division

Barry Perlmutter, Senior Analyst, Electric Power Division

George Dean, Assistant Attorney General

David O'Connor, Commissioner, Division of Energy Resources

John Cope-Flanagan, Esq.